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Bureau of Business and
Economic Research

Oregon Business Review

VOL. XIV DECEMBER 1955 No. 12

Close Similarities Found in Two Postwar Recessions

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Production in the United States has expanded fairly steadily during the decade since the end of World War II. Two interruptions have occurred, however—the recessions of 1949 and of 1953-1954. The similarity of these recessions makes one wonder whether, and hope that, they set the patterns for postwar fluctuations.

Note the similarities: (1) Each lasted about the same length of time. From high to low, the 1949 recession lasted about one year, that of 1954 about one quarter longer. (2) The extent of the decline was similar, about 4 per cent of the national product in both cases. (3) Change in inventories from net additions to decumulations accounted for a large share of the decline in both cases. In neither case did inventories initiate the recession, but in both cases, once inventories were started downward, by shortage of demand, they continued downward in significant amounts and until most other business components had turned upward. (4) Both recessions appear to have been brought on chiefly by governmental actions and policies. In 1948 the actions were designed to stop an existing inflationary spiral, and in 1954 they were designed to head off a possible inflationary situation. In both recessions, marked declines in business and in plant and equipment expenditures took place. (5) Both recessions were brought to an end by fiscal and credit policies, together with vigorous consumer demands for goods and houses.

However, the two recessions differed in several respects. (1) In 1948 a Federal surplus drained purchasing power out of the hands of the public and was probably the most important factor bringing about the recession. In 1954 the government operated at a deficit until well after the recession began. (2) Declines in government expenditures were important in 1954 even though the deficit continued, whereas in 1948 government expenditures were expanding. (3) Although declines in consumer buying were important depressants in both cases, the curtailments came much earlier in the recession in 1948 than in 1954.

It may well be that both recessions were necessary and desirable. In 1949 a period of inflation was brought to a halt. In 1954, government expenditures, particularly for defense and foreign aid, were adjusted to lower levels. These changes were so large and important that they probably could not have taken place without some decline in production and employment. Whether or not the

(Continued on page 3)

ARTICLES OF INTEREST IN THIS ISSUE

Close Similarities Found in Two Postwar Recessions. By Paul B. Simpson.

Natural Gas Will Have Great Impact on Oregon Economy. By C. H. Gueffroy.

Current Business Trends in Oregon.

Natural Gas Will Have Great Impact on Oregon Economy*

By C. H. GUEFFROY
President, Portland Gas and Coke Co.

"A new trail of sweat, dust and steel is being highballed from the mesas of New Mexico over the crags of Colorado to the valleys of Oregon, a trail that blazes a way for a new economic era." In these words a staff writer of the *Oregonian* described a few weeks ago his impressions when he, in company with other newspapermen, public officials, and utility executives, visited the scene of construction of the giant pipeline which will bring natural gas to the Pacific Northwest states from New Mexico next summer.

The benefits to be derived from natural gas by industries and people in the Northwest are so great and important as to overshadow its beneficial effect on the business of my own company. I will say, however, in passing, that we are proud to become associated with an industry whose growth has mushroomed until it now supplies 25 per cent of the nation's total energy, six times the total of the hydroelectric energy.

You may recall that, for several years past, executives of the Portland Gas and Coke Co. supported the Canadian source of natural gas to serve the Northwest area as against the source from New Mexico. We had many good and valid reasons for this, among them the fact that gas from the Canadian source would be lower in cost and, in the long run, more plentiful in supply. The Federal Power Commission, however, ruled that the first source of gas for this area should be a domestic source, and we, of course, accepted that decision. However, we immediately got to work promoting a compromise between the suppliers from the two sources, with the result that Pacific Northwest Pipeline Corp. agreed to enlarge its pipeline where necessary and take Canadian gas into its system. When the connecting line is completed in November 1957, we will be supplied with natural gas from Canada as we originally believed we should. We are, however, very pleased to have the entire project, since it will give us two sources of gas in the event of an interruption in either of the lines. Until the Canadian gas is made available, however, we shall be supplied with gas from New Mexico; the line is under construction and, according to pipeline officials, gas is to become available in Portland by August 1, 1956. Work started in July of this year and about 400 miles of pipe are in the ground. Eleven spreads of con-

(Continued on page 2)

* This article is based on a talk given by Mr. Gueffroy to the Oregon Purchasing Agents Association.

Oregon Business Review

VOL. XIV EUGENE, OREGON, DECEMBER 1955 No. 12

Bureau of Business Research, School of Business Administration
University of Oregon

WESLEY C. BALLAINE, Editor

Published monthly. Entered as second-class matter, August 10, 1948, at the postoffice at Eugene, Oregon, under the act of August 24, 1912. Persons wishing to receive the *Review* regularly should address requests to the editor. There is no subscription charge.

Natural Gas Will Have Great Impact on Oregon Economy

(Continued from page 1)

tractors and equipment are doing the work and one additional contractor is to be added.

The length of the main line from the San Juan Basin in New Mexico to the Canadian border is approximately 1,450 miles. To that will be added several hundred miles of line in Canada which will be built by Westcoast Transmission Co., Ltd. The diameter of the pipe used will vary from 22 inches to 30 inches in different areas, with a wall thickness of 3/8 inch. The line of the Pacific Northwest Pipeline Corp. comes from the San Juan Basin in New Mexico, crosses parts of the states of Colorado, Utah, Wyoming, Idaho, and Oregon. From Oregon it will cross the Columbia River near Umatilla, thence across the state of Washington to the Canadian border, where it will connect with a 30-inch transmission line of Westcoast. Because of the more difficult terrain on the Oregon side of the Columbia River, the line to western Oregon and Washington can be constructed at less cost on the Washington side. Delivery of gas will be made to Portland Gas and Coke Co. a few miles outside of Vancouver; there will also be a river crossing below Portland to give use delivery near St. Helens road, a few miles below our plant at Linnton.

Long transmission lines can be successfully operated only when huge volumes of gas are moved continuously, which requires pressures as high as 1,000 pounds. Within three years the volume of gas moving through the pipeline will be on the order of 300 million cubic feet per day. In order to give you some idea of the extent of these volumes, I should like to make a comparison with our own company. We have always felt that we had a pretty good sized company, we sell more than twice the combined volume of gas sold by the gas companies serving Seattle, Tacoma, and Spokane; yet our biggest winter day in history would be less than one-tenth of the capacity of the pipeline and our annual sales volume would be only about 5 per cent. This, then, will give you some idea of the new markets which must be found for the gas. The answer, of course, lies principally in substantial space-heating, commercial, and industrial sales, although we are not overlooking other residential uses. My company now has 27,000 space-heating customers, so we know something about that business; but we have little or no heavy industrial business, since gas manufactured from fuel oil has not been able to compete in cost with the heavy fuel oil used by industries.

Before discussing industrial utilization of natural gas, I would like to tell you something about the conditions and rates under which we shall buy natural gas and why we shall be selling such gas to large industrial customers at a price below our own average cost. The conditions under which the pipeline will sell gas to distributing companies in metropolitan areas are somewhat similar to the way volume power sales are made—that is, on a two-part rate composed of a demand charge and a commodity charge. We call it a "take or pay for" rate. We must contract for definite volumes of firm gas, increasing each year for five years and then leveling out for the remaining 15 years of our contract. We must pay the contract demand charge on the full contract volume, regardless of whether or not we buy a single cubic foot of gas; for this demand charge we get no gas whatsoever. Then we pay a commodity charge for all the gas we take, and we are obliged to pay for 65 per cent of the total volume whether we take it or not. Therefore, it may appear sometimes as though we are operating on a "bargain basement" plan if things don't work the way we estimate or even when the weather man forgets how we have to do business.

The combination of these two cost components will result in an average cost of gas to us of 35 cents per thousand cubic feet at 70 per cent load factor, and 32 cents per thousand cubic feet at 90 per cent load factor, at which load factor, incidentally, we hope to buy our gas from the line. That does not mean that our own system load factor will be 90 per cent or perhaps even 70 per cent. In fact, the load factor on space-heating business is only 20 per cent and our present entire system load factor is only about 40 per cent. The success in achieving a high load factor lies, first, in finding customers who will use the gas around the clock, or nearly so, and then finding large industrial customers who will buy gas when the space-heating customers do not need it or want it. This latter type of business is called interruptible gas; we expect to sell that gas at below our own average cost because we shall have to pay for the demand charge anyway, which, of course, is created by space-heating customers during winter peaks.

Time does not permit me to describe in detail means we shall have of holding down winter peak purchases from the pipeline, except to state that in extreme peaks we shall use liquefied petroleum gas for blending, and for a number of months in the year we shall also operate our own present production plant, where technical changes will be made to enable us to produce gas of the same high heating value as natural gas. In spite of that help, we shall have summer valleys to fill by the sale of gas to industries, and we shall also have available from the pipeline a supply of special interruptible gas at a separate flat rate—so we are going to be able to guarantee a supply of gas to industries at very low rates for at least 250 days in the year and probably more. Smaller industries, which find it inadvisable or inconvenient to maintain oil standby, will, of course have low-cost gas available throughout the full year, but at somewhat higher rates than the interruptable gas.

To appreciate fully the benefits of natural gas in industry, it should be borne in mind that today practically all manufacturing processes have two things in common—they use electric power, and they use heat. There is no manufactured product which does not require some heat during it processing cycle, although of course there are great variations in temperature range required and in the method and time of exposure. That natural gas is rapidly becoming one of the foremost industrial heat processing tools is shown by the fact that it is already being used in

more than 25,000 industrial applications. Because of its reliability, absolute cleanliness, and ability to deliver uniform, controlled, continuous heat, it is used almost exclusively in food processing, in the manufacture of such items as glass, ceramics, printing, and textiles and in the fabrication of many metals. Natural gas can speed up the baking of electrodes in the aluminum industry, and can be used as a direct flame in drying roofing materials, plywood, paper, and other products. It is used in the production of countless radar and electronic items. It furnishes the raw material for plastics, fertilizers, and countless chemical products. It is indispensable in the glass firing of television-set vacuum tubes. The world's smallest furnace—no bigger than a person's clenched fist—uses gas to harden rubber-coated electric wiring.

Gas is considered a preferred heat source, providing heat from a pipe without storage or transformer, turned on and off with a simple cock, and paid for after use. When used as a fuel, however, it is a preferred substitute for another fuel, and it must merit its use from the standpoint of economy and convenience. Good illustrations of such applications are cement plants and firing under boilers.

The Owens-Illinois Glass Co. is now building a plant in Portland which will employ several hundred persons. I am certain that Portland and the Northwest were selected as a site for this plant because of the prospective availability of natural gas. There is little doubt that their furnaces for making glass from sand will be fired with natural gas.

Other industries with which you are familiar include roofing paper, plywood, and the pulp and paper industry, where direct drying with a clean gas flame can speed up production capacity. True, some of these industries will take time to convert expensive existing equipment to the use of natural gas, but increased capacity will justify early conversion. Did you ever wonder how such magazines as *Life, Look, Time*, etc., could reach you so promptly with almost up-to-the-minute news? Fifteen short years ago big magazines required three to four weeks advance printing to allow necessary drying time—time required for oxidation of the thin film of ink. Then new presses were designed involving gas drying, with the result that today speeds up to 1,200 feet per minute are achieved in drying.

The Pacific Northwest is particularly fortunate in having the aluminum industry as its basic metal industry; but many people, even in our own region, have not learned to appreciate the full impact of the aluminum industry upon the region's present and future economy. According to an investigation made by the Stanford Research Institute, the three basic aluminum producers in the Northwest have on their payrolls more than 7,600 employees; none of these jobs existed in 1940. In the ten years from 1940 to 1950, employment in the primary and fabricated metal industries of all kinds rose by nearly 11,000 or about 90 per cent. Aluminum reduction plants have been followed by fabricating plants; by 1952 nearly 45 per cent of the Northwest's production of pig aluminum was further processed in Northwest plants.

There is little doubt but that the aluminum reduction plants can speed up the capacity of their electrode baking furnaces by using natural gas as a fuel; this is receiving careful study and consideration. However, let us go one step further and look at gas at work in the production of aluminum casting. A new type of radiant gas-fired tunnel furnace has recently been placed in operation in Cleveland, which brings automatic, continuous in-line melting for casting, with improvements in costs, cost control, labor turnover, production scheduling, and quality control.

The chemical industry is especially interested in the availability of a natural-gas supply because it provides prospects for expansion into a field of products not now being produced. I am certain that at least one ammonia plant will be built somewhere along the Columbia River because of the availability of natural gas. Actually, I know of three such plants now under consideration. Another concern is considering building a dry-ice plant.

I confess that natural gas will bring about such a major change in the business of my own company that we have not yet been able to adequately staff our own sales and engineering departments to give full attention to the problems of converting the thousands of units of equipment of the large and small industries in our own area to the use of natural gas—to say nothing of the problem of converting about one million burners of our existing customers, the entire cost of which, incidentally, will be borne by our company. Fortunately, we have been able to employ an outside engineering firm to help us with this tremendous job.

Close Similarities Found in Two Postwar Recessions

(Continued from page 1)

cost was too high, that is, whether or not it could have been accomplished with less cost in interference with production, if government policies had been wiser, is the question which economists would like to answer.

The 1949 Recession. During 1947 and 1948, demands of consumers and business for products were amazingly strong. Buttressed by wartime accumulations of liquid resources with which to buy, and by appetites sharpened by prolonged shortages of goods, these demands were sufficient to absorb a rapidly expanding output, to bid up prices, and to overcome the removal of large amounts of income by the Federal government. The government surplus as computed by the Department of Commerce was $13 billion in 1947 and nearly $8 billion in 1948. The government was reducing its debt. Moreover, in 1948, so much of the debt retired was held by commercial banks that the money supply was reduced about $2 billion. It is little wonder that the demands finally proved unequal to the task of inflating values and absorbing the total product.

Personal consumption was the first to give ground. When personal income-tax rates fell in 1948, the new incomes at the disposal of consumers were not spent immediately. For the first time since the end of the war individuals were disposed to save. Prior to the second quarter of 1948 personal savings had been at low rates, about 2.5 per cent of disposable incomes. In the second quarter savings jumped to over 5 per cent, and continued upward to over 6 per cent before turning downward in the second quarter of 1949. This increased savings had a direct bearing on demand. Consumer and mortgage debt expansion fell off noticably. Purchases of nondurable goods were up only about 4 per cent from 1947 to 1948, although disposable incomes increased about 11 per cent. Construction of resi-

dences was down in the fourth quarter of 1948. Demand by individuals receded well before business as a whole. It was a leading factor.

Business, too, slackened its demands in the face of the deflationary policies of the government. In the fourth quarter of 1948, expenditures for equipment turned downward, as did residential construction. Inventories were accumulated through the first quarter of 1949, until after the turn in business generally. However, these were unwanted or involuntary stock accumulations. In the face of declining demands, stocks were excessive; inventory accumulations amounted to about $4 billion in all.

Although credit never became very tight during the 1948-49 period, credit policy played a role. Consumer credit regulation affecting minimum down payments and maximum payment periods were imposed on September 20, 1948. Reserve requirements of member banks of the Federal Reserve System were raised several times during 1948 and these, together with the Federal surplus, resulted in a lowering of the money supply during 1948 in spite of extensive purchases of securities by Federal Reserve Banks in late 1948 and early 1949.

The forces of depression in rough order of timing and importance were the government surplus, declining consumer demands, declining investment demands, and tighter credit. Inventory liquidations were a serious complicating factor. These same forces were also largely responsible for recovery, once they began operating toward expansion.

Foremost among the forces of recovery probably was the change in the Federal government fiscal position. Government expenditures increased throughout 1949, and, as tax receipts fell off with incomes, the surplus of 1948 gave way to a deficit of over $2 billion in 1949. The so-called automatic stabilizers, namely reduced income taxes and social-security benefits, were effective.

Also important to recovery was a renewed consumer demand. Buying out of incomes rose sharply in the second quarter of 1949, as the savings rate reclined and consumer credit borrowing expanded sharply. Residential construction moved upward in the fourth quarter. In the fourth quarter personal savings rates on a seasonally adjusted basis were below 2 per cent as compared with 6 per cent in the first quarter. Easier credit conditions, particularly for borrowing, assisted this spending propensity.

Following these changes in consumer demand came a turn in business investment in plant and equipment. Finally came the turn in inventory accumulations. The recovery was well under way before the effect of the Korean war was felt in the last half of 1950.

The Recession of 1954. Even in retrospect, it is not easy to explain the recession of 1953-1954. Strong forces were acting to augment business activity, while other forces were acting to restrain it. In 1953 the Federal deficit was more than $6 billion. Business investment in plant and equipment was at a record level during late 1952 and early 1953, and business investment in inventories was large but not out of line with expanding sales. These exerted strong inflationary pressures. On the other hand, government expenditures, reflecting the Korean defense program for the most part, were scheduled to decline after mid-1953. Credit had been tightened beginning in late 1952, and this was having a noticeable effect on residential construction and perhaps on other expenditures, and on the money supply. Personal-savings rates were high and expanding. These were strong deflationary forces. Which would win, deflation or inflation? It would have taken a very wise person indeed to have told. Past experience would probably have indicated that the government fiscal picture would be the decisive factor, and inflation would win. This answer was wrong. Output ceased to expand, while prices remained virtually constant.

In retrospect, it appears that the tapering off of the expansion in government defense orders and of business plant and equipment expenditures was a more deflationary factor than could have been anticipated. New orders for manufactures declined after 1951, and the large accumulation of outstanding orders declined throughout 1952 and 1953. This meant that the build up in production at early stages—goods in process—was low compared to deliveries of final products. As soon as deliveries of completed products reached this peak, the drop in output was sharp, since production at earlier stages of fabrication was small. The accumulation of inventories after the turn in business conditions in mid-1953, that is during the period of declining demands, was surprisingly small. Involuntary inventory accumulations were smaller in 1953 than in 1949. When inventories did start down, however, the total liquidations amounted to over $5 million in 1951, and savings increased to 7.3 per cent of disposable income in the first half of 1952, to 8.7 in the last half of 1952 and the first half of 1953, and to 8.2 per cent in the succeeding three quarters. Beginning in the second quarter of 1954 savings declined rapidly, and by the time business as a whole turned upward, that is in the fourth quarter of 1954, savings had fallen to about 4.5 per cent on a seasonally adjusted basis. A drop in the savings ratio of about 4 per cent of income represents about $10 billion annually in expenditures, and is a very considerable factor in the business situation. Thus consumption expenditures together with residential construction were the decisive, leading factors in bringing about recovery in 1954 as in 1949.

Credit policies were important, especially in regard to residential construction. There is little doubt that tight credit conditions restrained home construction during 1953 and early 1954. When credit eased as a result of high personal savings and of governmental policies after mid-1953, construction began to expand rapidly. This is evident from the decline in mortgage loans of financial institutions as compared to earlier and to later periods. During the period of credit tightness, investment in mortgages was not attractive in light of the high yields obtainable on Federal government and business securities, particularly for commercial banks, mutual savings banks, and insurance companies. When interest rates fell, the situation was reversed. In the spring of 1954, residential construction moved upward markedly, and continued to do so. The credit ease also boosted consumer buying and perhaps business and state and local government investment.

In 1954, taxes were reduced in line with reduced outlays, with the result that the Federal deficit remained at about $6 billion for the calendar year, as in 1953. This encouraged recovery.

Fiscal policy, credit policy, and personal-consumption propensities combined to bring the recession to an end. As in 1949, the change in business investment inventory accumulation and plant and equipment followed, and brought about a new phase of expansion in economic activity.

What Are the Lessons? The New Deal and World War II brought into being a new set of financial institutions and legal arrangements, a new set of conditions, and new ways of thinking in the economic world. These have been tested for about a decade. It is too early to pass judgment upon the adequacy of the institutional arrangements, just because the conditions have been so special and so new. However, it is well to see how the situation looks at the present time. In this spirit the following comments are offered:

(1) The most unfortunate economic event of the post-war world has been inflation. The problem has not been as resolutely recognized and faced as it should have been. When the fact of inflation was recognized and countered in 1948, and the probability of inflation faced in 1953, setbacks to production occurred. Perfectly smooth re-adjustments were not accomplished and perhaps were impossible.

(2) The costs of these setbacks amounted to about 4 per cent of annual production at the maximum. The total loss in production, making allowance for the growth in production that might have occurred and for the length of duration of the recession, was probably not over 8 per cent of one year's production in either recession, though the cost in particular industries and localities was much greater. This is not too high a price to prevent continuous inflation, if it must be paid.

(3) Under current conditions of institutional arrangements, consumer psychology, and productive potential, the tools of economic stabilization, based on financial, fiscal, and credit policies, appear adequate to prevent runaway inflation and serious depression. Included among these tools are government deficit and surplus financing.

(4) The variability in individuals' spending habits makes it very difficult to stabilize business completely. In both 1948 and 1953, reduction in consumer spending propensities out of disposable income were important factors in bringing about the recession. To some extent these propensities were influenced by credit policies, especially as regards mortgage borrowing and to a lesser extent installment buying. However, credit was not the only factor. Attitudes of consumers vary. It could hardly be expected that Federal authorities would be able to forecast such changes accurately. Federal controls must act thermostatically to correct conditions already existing, when uncertainties of this character exist.

(5) Recovery was achieved in part by a resurgence of spending propensities by individuals. It is not known whether or not such psychological shifts can be counted on in the future. And it is not known whether the progressive increase in personal debt which were important in producing the shifts in buying will always be wise. Installment terms must become too easy for safety to lending institutions at some point. Debt must become too burdensome to individuals at some point. Where are those points?

(6) Inventory liquidations were not generally instrumental in bringing on the recessions, although failure to replace inventories in defense and capital lines of production may have been a factor in the recession of 1954. On the other hand, inventories quantitatively were the most important factor in the recessions, once reactions induced by other factors had begun. Here is the chief problem of thermostatic control; here is the factor that makes the fluctuations governed by the thermostat too large. A need exists for a stabilization in inventory accumulations and liquidations. Can a government-business program be devised to accomplish this? This is perhaps the most important question posed by the experience of the two recessions.

OREGON BUSINESS REVIEW INDEX

Vol. XIV (1955)

ARPAIA, ANTHONY F. I.C.C. Commissioner Discusses Causes of Car Shortage. June, 1.

BAKER, G. DERWOOD. Thirty States Support Program for Economic Education. Mar., 1.

BALLAINE, WESLEY C. Economic Characteristics of State of Oregon Analyzed. Aug., 1.

BURRELL, O. K. Shortages of Freight Cars an Old Problem in Oregon. Sept., 1.

Changes in Oregon Employment, 1950-1955, Surveyed. Nov., 7.

Currents Business Trends in Oregon. Jan., 8; Feb., 8; Mar., 5, 6; Apr., 7, 8; May, 5, 6; June, 5, 6; July, 8; Aug., 5, 6; Sept., 5, 6; Oct., 5, 6; Nov., 6, 7, 8; Dec., 6.

DAVLIN, WILLIAM R. Needed Tools for Industrial Development Job Surveyed. Feb., 1.

DRUMB, FRANK. Recent Changes in Practices of Management Reviewed. Feb., 1.

The Federal Reserve System and our Economy—A Roundtable Discussion. Apr., 1.

GIBSON, WELDON B. Tourism in Pacific Northwest A Billion Dollar Business. July, 1.

GUEFFROY, C. H. Natural Gas Will Have Great Impact on Oregon Economy. Dec., 1.

HEALY, WILLIAM E. New Ideas for Retail Promotion Suggested by State Official. May, 1.

Labor Unions in the American Economy—A Roundtable Discussion. Jan., 1.

MONTONNA, DAVID L. Method of Appraising Single Family Homes Explained. Aug., 1.

MORRIS, VICTOR P. Aid to Underdeveloped Areas New World Problem. Sept., 1.

NELSON, JAMES C. National Transport Regulatory Policy. Nov., 1.

Oregon Bank Deposits, December 31, 1954. Apr., 7.

Oregon Population Estimates—July 1, 1954. Jan., 7.

PRICHARD, LEWIS G. Real-Estate Activity at High Level in Portland Area. Mar., 1.

ROBERT, WILLIAM J. Discount Houses Set Serious Problem for Retailers. July, 1.

SAMPSON, ROY J., and S. B. PRANGER. Costs of "Fringe Benefits" in Portland Area Surveyed. Apr., 2.

Savings and Loan Associations—A Roundtable Discussion. Oct., 1.

SHRUM, GORDON M. Research Essential Aspect of Expanding Economy. Jan., 2.

SIMPSON, PAUL B. Close Similarities Found in Two Postwar Recessions. Dec., 1.

THOMPSON, WARREN S. Technical Aid Programs Neglect Population Growth Problem. May, 1.

What is the Effect of a New Payroll in a Community? Oct., 4.

WHIPPLE, JERRY. Problems and Future of Medium Size Sawmills Assessed. June, 1.

CURRENT BUSINESS TRENDS IN OREGON

Lumber. Production of Douglas-fir lumber in the Pacific Northwest has begun its seasonal decline. It will be noted that the November 1955 production figures are not only lower than those for October, but also considerably below those of Novembr 1954. The inclement weather this November may have been a factor, although orders were also down over last year, but higher than the previous month. The following data have been supplied by the West Coast Lumbermen's Association (all figures in thousands of feet, board measure):

	Nov. 1955	Oct. 1955	Nov. 1954
Average weekly production	163,139	178,472	202,193
Average weekly orders	149,751	145,863	185,749
Unfilled orders, end of month	584,759	608,306	679,579
Lumber inventory, end of month	1,004,981	969,622	888,492

Department-Store Sales. The only retail sales indicator for Oregon is the sales of department stores in Portland, which are compiled by the Federal Reserve Bank of San Francisco. The percentage in dollar sales volume for periods ending December 10, 1955, as compared to the same 1954 periods, for Portland and other Pacific Coast cities are shown below:

	Week Ending Dec. 10	Four Weeks Ending Dec. 10	Calendar Year Ending Dec. 10
Portland	+ 5	+ 5	+ 5
Los Angeles	— 3	+ 2	+ 5
San Francisco-Oakland	+ 3	+ 4	+ 4
Seattle	+ 2	+ 3	+ 5
United States	+ 5	+ 6	+ 7

Life-Insurance Sales. During October 1955, sale of ordinary life insurance in Oregon (excluding industrial life insurance, group and wholesale sales under new contract, renewals, dividend additions, etc.) were 5.3 per cent ($1,228,000) higher than in September and 14 per cent higher than in the same month a year ago. The national figures showed a 8.9 per cent increase over September and a 20 per cent increase over October of last year.

Multnomah County Real-Estate Transactions. During November 1955 there were 958 real-estate sales amounting to $8,871,828 in Multnomah County. Of these 687 involved residences, the sales price of which was $6,575,523; 217 were vacant properties, $783,555; and 54 were business properties, $1,512,750. Additional figures are:

	Nov. 1955	Oct. 1955	Nov. 1955
Number of sales	958	1,099	950
Value of sales	$8,871,828	$11,465,226	$8,760,072
Number of mortgages	948	1,061	1,173
Amount loaned	$9,763,775	$10,012,913	$9,846,882
Number of sheriff's deeds	2	2	6
Amount of sheriff's deeds	$5,173	$10,832	$30,668
Average residential sales price	$9,571	$10,963	$9,699

Business Failures. Dunn and Bradstreet's series showing commercial failures is frequently considered an indicator of business health. Figures for Oregon are given below:

	1954		1955	
	Number	Liabilities	Number	Liabilities
Jan.	9	$ 249,000	8	$ 160,000
Feb.	14	986,000	2	76,000
Mar.	12	1,332,000	8	157,000
Apr.	8	168,000	13	259,000
May	12	652,000	14	368,000
June	14	316,000	11	310,000
July	12	392,000	6	236,000
Aug.	3	25,000	9	257,000
Sept.	5	113,000	7	1,009,000
Oct.	9	405,000	13	319,000
Nov.	2	38,000	11	559,000
Dec.	8	245,000	----	----

BANK DEBITS

Bank debits represent the dollar value of checks drawn against the deposit accounts of individuals and business firms. Bank debits are regarded as good indicators of current business activities, although their value for this purpose may be impaired by the inclusion of large checks arising out of transfers of funds for the purchase of certain types of capital assets that do not constitute "business activity." The Bureau of Business Research collects bank debits from 151 banks and branches monthly.

Marketing Districts	Number of banks Reporting	Debits Nov. 1955	Debits Oct. 1955	Debits Nov. 1954	Nov. 1955 Compared with Oct. 1955	Nov. 1955 Compared with Nov. 1954
Oregon	134	$1,522,339,027	$1,522,633,285	$1,387,116,168	— 0.0	+ 9.7
Portland (Portland, Hillsboro, Oregon City, etc.)	37	936,841,691	948,999,451	841,169,234	— 1.3	+11.4
Lower Willamete Valley (Salem, McMinnville, etc.)	19	127,619,758	124,471,835	120,670,365	+ 2.5	+ 5.8
Upper Willamete Valley (Albany, Corvallis, Eugene, etc.)	21	146,977,177	152,127,337	139,397,335	— 3.4	+ 5.4
North Oregon Coast (Astoria, Tillamook, etc.)	4	18,104,882	20,610,054	18,544,179	—12.2	— 2.4
Douglas, Coos, Curry counties	10	51,693,404	41,470,658	47,739,682	+24.7	+ 8.3
Southern Oregon (Ashland, Medford, Grants Pass)	6	64,632,563	68,080,471	57,284,277	— 5.1	+12.8
Upper Columbia River (The Dalles, Hood River, etc.)	8	31,620,089	31,418,267	28,754,487	+ 0.6	+10.0
Pendleton area	7	26,063,176	27,020,839	27,996,774	— 3.6	— 6.9
Central Oregon (Bend, Prineville, Redmond)	5	27,746,163	26,538,674	24,442,472	+ 4.5	+13.5
Klamath Falls, Lakeview area	5	36,121,777	33,125,434	32,566,215	+ 9.0	+10.9
Baker, La Grande area	7	32,346,429	29,207,581	28,096,226	+10.7	+15.1
Burns, Ontario, Nyssa	5	22,571,918	19,562,694	20,454,922	+15.4	+10.3

BUILDING PERMITS

Building permits give an indication of building operations planned rather than actual construction under way. Care must be taken in interpreting these data to allow for the lag which may elapse between the issuance of the permit and the beginning of actual construction. The data have been collected by the Bureau of Business Research.

	New Residential Nov. 1955	New Non-residential Nov. 1955	Additions, Alterations & Repairs Nov. 1955	Totals Nov. 1955	Totals Oct. 1955	Totals Nov. 1954
Albany	$ 78,000	$ 39,800	$ 4,700	$ 122,500	$ 100,500	$ 88,200
Baker	28,310	5,500	4,859	38,699	87,709	1,100
Bend	47,500	90,000	3,850	141,350	59,114	37,550
Coos Bay	72,350	5,856	16,100	94,306	232,815	34,000
Corvallis	196,500	----	20,620	217,120	194,120	98,540
Eugene	134,592	75,157	33,865	243,614	518,591	298,658
Grants Pass	92,735	24,300	8,395	125,430	239,915	95,440
Hillsboro	6,500	----	6,450	12,950	14,673	40,400
Klamath Falls	40,000	27,000	1,100	68,100	84,450	126,458
McMinnville	26,000	----	1,700	27,700	112,675	14,600
Medford	77,000	7,435	75,456	159,891	195,019	121,614
North Bend	----	1,000	5,155	6,155	42,480	97,200
Pendleton	90,200	14,600	9,600	114,100	106,425	700,782
Portland	813,260	842,820	715,160	2,401,180	3,247,555	2,747,690
Roseburg	53,700	1,800	9,680	65,180	73,095	48,642
Salem	169,300	15,350	60,809	245,459	410,998	248,705
Springfield	91,300	----	20,855	112,155	44,572	107,825
The Dalles	87,271	44,500	6,543	138,314	330,597	66,409
Lane County	219,000	85,500	31,050	335,550	441,600	351,700
Multnomah County	1,105,010	1,071,800	43,125	2,219,935	1,723,050	3,293,920
Wasco County	25,100	----	1,500	26,600	99,100	52,350
31 other communities	293,686	64,745	87,438	445,869	582,618	549,029
Totals	$3,777,344	$2,417,163	$1,167,950	$7,362,457	$8,941,701	$9,221,112